Business Plan
2016–2017

Department of Agriculture

NOVA SCOTIA

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Minister's Message

This is an exciting time to be working in Nova Scotia's agriculture sector, when the demand for locally grown and produced products has never been greater and our commitment to succeed in international trade is more determined than ever.

The ONE Nova Scotia Playbook recognized that a vibrant, growing agriculture sector helps Nova Scotia to compete in the global marketplace. And we are competing, with agri-food exports increasing 21 percent to $385 million in 2015. Agriculture has shaped the traditions of many rural communities and it continues to shape the future of our province.

Working with our partners in industry and the federal government we continue to pursue innovation, product and market development through the Growing Forward 2 initiative. This five-year plan, now in its fourth year, is cost-shared between the province and the federal government and fosters a spirit of progress in agriculture.

And we are seeing that progress as our wine industry continues to grow in importance and draw attention to Nova Scotia as a destination for food and wine. The province has invested $1 million to help plant and grow more grapes to support this growth. Another $1 million has gone to encourage the cultivation of more wild blueberries, one of our largest exports. And innovation is supported through the work of provincial crown corporation Perennia and its industry-led board.

Nova Scotia is positioned to take advantage of opportunities to export more agricultural products, including value-added agri-food. We are also able to benefit from a strong tradition of farming and farmers' markets as Select Nova Scotia encourages Nova Scotians to include local products in their grocery basket whenever possible.

We will continue to roll up our sleeves along with farmers, processors and exporters to ensure that Nova Scotia's agriculture sector prospers along with the rural communities that benefit from its jobs and economic activity.

The Honourable Keith Colwell, E.C.N.S.
Minister
Department of Agriculture

Mandate

The Department of Agriculture supports the development of competitive, sustainable and profitable agriculture and agri-business industries that contribute to the economic, environmental and social prosperity of Nova Scotia's rural and urban communities.

The Department of Agriculture will strive to eliminate the barriers to private sector growth, increase product innovation and development and turn under-utilized land resources into high value products.

Agriculture will collaborate with the Office of Regulatory Affairs and Service Effectiveness to reduce regulatory burden within the agricultural sector, where appropriate.

In keeping with this mandate and government priorities, the work of the department is driven by five key strategic themes:

- Enabling responsible economic growth
- Supporting research and innovation
- Building public trust and market acceptance
- Increasing trade and market access
- Encouraging value added opportunities

Agriculture's Link to Government Priorities

In support of the government priorities, *people, innovation and education*, the department is pursuing the following priorities:

Priority: Innovation

Actions:

- Invest $3.5 million in vineyard and winery development to enable the expansion of the wine industry in Nova Scotia. This includes investments in the expansion of the acreage under production and providing supporting measures to enable the growth of the sector both domestically and internationally with a focus on known quality varieties and products, innovation and authenticity.

- Supporting the development of the wild blueberry industry, Nova Scotia's largest export. In collaboration with the federal government, the province is supporting the growth and

development of the wild blueberry industry through a three year $1 million program. The *Lowbush Blueberry Development Program* is focused on improving production techniques like harvesting and pruning, and expanding cultivation.

- The department will continue to work with the mink industry as it recovers from a significant price shock in 2014. A prior year investment in mink research, matched by an equivalent industry investment will begin to pay dividends in a better understanding of some of the challenges facing the industry and in the identification of innovations that could advance the sector in years to come.

- The department will invest in Apple Industry through the targeted *Apple Industry Growth and Efficiency Program.* The program will assist the industry in being better positioned within the market place. This will be achieved by supporting the primary industry to increase production, enhance competitiveness and capture new markets.

- Through an annual grant of $2.5 million, plus additional project based funding, the department supports Perennia Food and Agriculture Inc.in pursuing their mandate of encouraging innovation, knowledge transfer and people development in the agriculture, seafood, food processing and bio-resource sector.

Priority: Education

- Through our annual investment in Dalhousie University Agricultural Campus, the department will directly support the training of the next generations of Agriculture leaders, researchers and innovators in the agriculture and agri-food sector. This investment, grounded in the leading practice of establishing Industry research chairs, will help drive research and innovation in the agriculture and agri-food industry by connecting world leading researchers with the needs of industry.

Core Responsibilities and Services

There are a number of core services of the Department that while supporting the overall mandate of the department, do not have a direct link to government priorities. However, these services are important to the efficient and sustainable growth of the Nova Scotia agriculture and agri-food industry.

As a professional public service we are committed to working in the following manner as we deliver on our mandate and support the priorities of government:

- Ensuring healthy and safe workplaces
- Staff that are informed and have the tools to do their job
- Encouraging innovation
- Taking a client-centred approach
- Focus on efficient processes and practices
- Working as cohesive teams

Actions:

- Through the completion and implementation of the Agriculture Marshland Study, the department will modernize the management and protection of the 43,000 acres of marshland and the over 241 kilometers of dykes. This work will ensure that investment in marshland protection is strategic and focused on protecting high quality agricultural land that can help grow the sector.

- The department will continue to respond to climate change pressures and rising sea levels through strategic investments in dyke renewal. The department will also modernize the governance of agriculture marshlands and the delivery of land protection services. This includes developing new engineering standards, better utilization of geomatics information, and effective management of capital investments in the protective infrastructure and the development of strategic partnerships with the federal government.

- Support will be provided for agriculture and agri-food industry innovation, competitiveness and market development and industry adaptability and capacity through an annual investment of $7.4 million in cost-shared funding under Growing Forward 2.

- The department will invest in a series of programs to assist the agricultural industry in being better positioned within the market place. This will be achieved by supporting the primary industry to increase production, enhance competitiveness and capture new markets. Targeted programs include the *Apple Industry Growth and Efficiency Program*, the *Vineyard Development Program* and the *Soil Amendment Program*.

- In collaboration with the federal government, the department will provide an effective suite of Business Risk Management (BRM) programs that help farmers manage risk due to severe market volatility and disaster situations. This includes a robust Crop and Livestock Insurance Program delivered by the department and support to the industry in accessing federally delivered programs (AgriRecovery, AgriInvest and AgriStability). These programs have supported the recovery of the strawberry industry and programs are in place to support the apple and maple industries as a result of weather related impacts.

- The department will introduce a new cost shared non-yield based crop insurance plan (acreage loss insurance) to increase the risk management opportunities for producers in the vegetable sector such as market gardeners and organic growers.

- Through a responsible lending strategy and access to financing at reasonable rates, the Nova Scotia Farm Loan Board will invest up to $35 million in Nova Scotia's agriculture and agri-food industry to support economic activity and employment in rural Nova Scotia, encourage business expansion, the development of new products and implementation of new technologies, providing farm businesses greater capacity to serve new or existing markets.

- We will promote local Nova Scotia products and increase local consumption through the Nova Scotia buy local initiative, *Select Nova Scotia*. The department will continue client coaching with clients who have products identified for retail through the Select Nova Scotia/Sobeys and other retail partnerships.

- A strategy will be developed to address the barriers to growth of the large number of farms in Nova Scotia with a gross income under $25,000.

- Support will be provided to protect and grow the bee industry through initiatives such as the *Modern Bee Keeper Course* and *Pollination Expansion Program*.

- At the Pan Atlantic level, support will be provided to encourage the development of innovative products, technologies and concepts in Nova Scotia through collaborative efforts with the other Atlantic Provinces and the federal government.

- We will support the development and implementation of a beverage strategy aimed at increasing exports from Nova Scotia.

- The department will support the development of the bio-products sector through innovation and product development of crops presently grown in Nova Scotia.

- As market access continues to grow as a result of new trade agreements, such as Comprehensive Economic and Trade Agreement (CETA) and the Trans Pacific Partnership (TPP), the department will aggressively target new opportunities to increase exports in the agri-food sector via participation in trade missions and working at home to build the capacity of local producers to take advantage of these opportunities.

- The department will provide leadership to regional and provincial 4-H programming that empowers youth to become skilled, engaged and responsible leaders. 4-H programming also provides an opportunity for effective agriculture awareness in both youth and the community.

- The department will continue to deliver important extension programming to enhance knowledge for agriculture clients that support improved return on investment across the industry. We will provide information and support to clients in the application of innovation programming, ensuring their application aligns with the various program mandates.

- The department will provide coaching support to clients in the development of on-farm innovation and in agriculture businesses.

- The Natural Products Marketing Council oversees the supply managed sector (dairy, eggs, chicken and turkey) in Nova Scotia. This sector is a significant contributor to the overall value of the agriculture and agri-food industry in Nova Scotia. The Council strives to be flexible and base decisions on extensive stakeholder consultation to identify issues, gather information and test regulatory provisions before implementation.

- The department provides a suite of ISO certified laboratory services to support public health, industry knowledge and inform disease surveillance. These services extend from water testing, raw and processed dairy testing, soil and feed testing.

- Veterinary and Pathology Services offered by the department supports production management decisions which impact operations and contribute to the economic growth. The Livestock Health Services and Herd Health Services programs support healthy livestock management and contribute to local veterinary practices across the province. We test meat products and provide other services related to ensuring only healthy carcasses make their way into the marketplace. We also provide important veterinary support to researchers on a variety of research projects that impact on public trust and market access such as Aluetian Disease in Mink.

- The department also supports the safety and security of food production through the delivery of traceability and biosecurity programs.

Performance Measures

Our performance measures show how the strategic actions of the Department are making progress towards the goals, outcomes, and priorities of Department, which, in turn, align with the priorities of Government.

Department Priority	Outcome	Goals	Performance Measure
Enabling Responsible Economic Growth	Industry is advancing towards operating at its fullest potential and resources are managed in a responsible manner, creating greater prosperity for generations to come.	Increase the value of agricultural production in the province	Farm Cash Receipts Current Value: $576.1 million (2014)
Supporting Research and Innovation	Industry is increasing its competitiveness through the acceleration of innovation and adoption of new technologies.	Increase labour productivity within the primary and processing sectors in the industry	Agriculture Labour Productivity (GDP/hr. labour) Current Value: $16.47 GDP/hr. labour (Estimate 2014) Agri-food Processing Labour Productivity (GDP/hr. labour) Current Value: $33.61 GDP/hr. labour (Estimate 2014)
		Increase the profitability of farms within Nova Scotia	Net Operating Margin Current Value: 12.8% of Farm Cash Receipts (2014)

Department Priority	Outcome	Goals	Performance Measure
Building Public Trust and Market Acceptance	Consumer awareness of agriculture production and the benefits of eating and buying local and the identification of Nova Scotia food products is growing.	Increase the value of agri-food products produced for and consumed by Nova Scotians	EGSPA Local Food Consumption Current Value: 16% of Money Spent by Nova Scotians on Locally Produced Food (2013)
Increasing Trade and Market Access	Industry is fostering a strong reputation for producing high quality food and is well positioned to build on established trade linkages and develop new ones.	Increase the value of agricultural and agri-food exports from Nova Scotia	Agricultural and Agri-food Exports Current Value: $385.3 million (2015)
Encouraging Value-added Opportunities	Industry is working cooperatively along the supply chain to deliver added value to Nova Scotia food products.	Increase the value-added and processing opportunities within the province	Agri-food Processing Revenues Current Value: $1,226.6 million (2013)

Departmental Expenses Summary

($ thousands)

Programs and Services	2015-2016 Estimate	2015-2016 Forecast	2016-2017 Estimate
Senior Management	685	737	688
Policy & Corporate Services	43,729	43,406	46,696
Agriculture & Food Operations	17,122	16,793	12,833
Total - Departmental Expenses	61,536	60,936	60,217
Ordinary Recoveries	5,976	7,063	5,827
Funded Staff (# of FTEs)			
Department Funded Staff	212.2	201.0	168.6

Note:

For Ordinary Revenues, see Estimates and Supplementary Detail Book, Chapter 2

For TCA Purchase Requirements, see Estimates and Supplementary Detail Book, Chapter 1